VZCZCXRO6612 OO RUEHIK DE RUEHTA #2107/01 3371349 ZNR UUUUU ZZH O 031349Z DEC 09 FM AMEMBASSY ASTANA TO RUEHC/SECSTATE WASHDC IMMEDIATE 6943 INFO RUCNCIS/CIS COLLECTIVE 2212 RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHZL/EUROPEAN POLITICAL COLLECTIVE RUEHMO/AMEMBASSY MOSCOW 1604 RUEHBJ/AMEMBASSY BEIJING 1576 RUEHKO/AMEMBASSY TOKYO 2277 RUEHUL/AMEMBASSY SEOUL 1211 RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RUEAIIA/CIA WASHDC RHEFAAA/DIA WASHDC RHEHNSC/NSC WASHDC 1771 RUEKJCS/SECDEF WASHDC 1621 RUEKJCS/JOINT STAFF WASHDC RHMFIUU/CDR USCENTCOM MACDILL AFB FL RHMFISS/CDR USTRANSCOM SCOTT AFB IL RUEHAST/AMCONSUL ALMATY 2048

UNCLAS SECTION 01 OF 02 ASTANA 002107

SENSITIVE SIPDIS

STATE FOR SCA/CEN, OES/PCI

E.O. 12958: N/A TAGS: <u>ECON SENV KZ</u>

SUBJECT: KAZAKHSTAN: THE ABC'S OF SUCCESSS: U.S. SCIENCE EDUCATION COMPANY FORGES A PROFITABLE AND PRODUCTIVE ALLIANCE WITH THE MINISTRY OF EDUCATION

ASTANA 00002107 001.3 OF 002

- 11. (U) Sensitive but unclassified. Not for public Internet.
- 12. (SBU) SUMMARY: U.S. Company PASCO Scientific has sold laboratory equipment and curriculum to 1700 schools in Kazakhstan to teach students how to gather and analyze data and do modern science. PASCO is working closely with the Kazakhstani Ministry of Education and Science to modernize science education in order to promote economic development. Its next step is to improve education in Kazakhstan's 4300 rural schools. PASCO sees an enormous opportunity in Kazakhstan, because schools have only received a bare minimum of laboratory equipment, leaving a considerable need. PASCO has had no problem obtaining access to teachers and schools or issues with payment for completed contracts. END SUMMARY.

PASCO

13. (SBU) In a December 1 meeting, U.S. Company PASCO Scientific representatives Wayne Grant and Kevin Mather told the Charge that PASCO has 60 active partners and does business in more than 100 countries. Headquartered in California, PASCO is a scientific-education company that sells traditional physics laboratory equipment to schools and laboratories, including a small hand-held device (called Spark) that collects data samples, displays them graphically, and analyses them. It also works with schools to supply curricula and training programs in modern data gathering, sampling, and scientific techniques. PASCO also provides teacher-development training seminars and technical support. Working with its Kazakhstani partner Nurecom, a contractor to Interactiv, PASCO has supplied basic laboratory equipment to more than 1700 schools in Kazakhstan in the past three years (mostly in urban centers). According to Mather, Nurecom Director Nuraly Kudaibergenuly has very close ties to current Minister of Education Zhanseit Tuimebayev, which gives PASCO a very high level of "engagement" and support in Kazakhstan. Accordingly, PASCO is working closely with the Kazakhstani Ministry of Education and

Science to modernize science education to promote economic development.

14. (SBU) Mather said that with the ministry's strong support, PASCO now is focused on improving scientific education in Kazakhstan's 4300 rural schools. He highlighted the impact of Kazakhstan's current shortage of 8,000 rural school teachers, including its ability to provide an adequate number of trained technicians for the oil and gas industry. PASCO told the Charge that it can provide a complete support structure for scientific education to schools, including equipment, curriculum, and documents in Russian (and eventually Kazakh) to develop "local content" (e.g., locally hired technicians) and train local teachers. Grant added that PASCO does not teach scientific methods practiced 20 years ago, but rather those for the coming decade. He quoted hockey star Wayne Gretzky, saying science education should "skate to where the puck is going to be."

ENORMOUS PROFIT OPPORTUNITY

15. (SBU) Mather highlighted PASCO's enormous commercial opportunity in Kazakhstan given that 1700 schools have only the bare minimum of laboratory equipment. PASCO touted its Russian and Kazakh language software packages and curriculum that can develop higher-order thinking, critical thinking, and raise the level of science education in Kazakhstan. In addition, teachers can participate in on-line classes and training programs with simultaneous translation as part of their ongoing education. PASCO asserted that its curriculum enables the large number of inadequately-trained teachers to present scientific information in a way that does not embarrass them.

NO PROBLEM WITH PAYMENT

ASTANA 00002107 002.3 OF 002

- 16. (SBU) Mathers said PASCO thus far has had no problem with payment. He called Kazakhstan's banking system surprisingly efficient -- in spite of the financial crisis. PASCO explained that it receives a 50% cash advance for goods and services and the remaining 50% 60 days after contract completion. PASCO has experienced no troubles with payment flows or repatriation of its profits.
- 17. (SBU) COMMENT: It is not only helpful, but refreshing to encounter a medium-sized (\$45 million in annual, global sales) U.S. company that visibly, and by its own admission, is doing extremely well in Kazakhstan. Its mission, to promote better science education, coincides with Kazakhstan's recently-established science priorities (ref A) designed to further promote economic development. The Charge's recent trip to Atyrau (ref B) also highlights the need (and problem) of the oil industry to hire locals because of the severe shortage of adequately-trained local technicians. PASCO is aware of the issue and wants to help. Mathers may soon hire a local representative because of its success and growth in the Kazakhstani market. PASCO's business goals coincide perfectly with Kazakhstan's education objectives and all parties seems to agree there's much more room for business and cooperation a great success story. END COMMENT.

SPRATLEN